

Chapter 5 • Organization Assessment Summary

PERFORMANCE ASSESSMENT

DSHS, in partnership with 65,000 private vendors, has stewardship of \$8 billion each year in serving 1.3 million Washington residents. This involves almost 31 million financial transactions a year.

Beyond the reviews that are required by law, federal government and the State Auditor's Office, DSHS will continue to hold itself additionally accountable through performance reviews, independent reviews, audits and surveys. We take each review process seriously, and use the findings to continuously improve service systems and results.

Below are brief descriptions of these review activities.

- **Performance Reviews:** Each of the DSHS programs examines its financial accountability, business practices, and performance measurements at its monthly fiscal and program review meeting with the Secretary and Deputy Secretary.
- **Performance Agreements:** The Secretary and Assistant Secretaries review their annual performance agreements every quarter to monitor the progress towards the target set for each performance measure and address areas that require special attention.
- **Accountability Scorecard:** DSHS communicates with the public on its top priorities and objectives through the Accountability Scorecard that is easily accessible on DSHS Website. Updated information is distributed to the public annually through news release.
- **Internal Audits:** A DSHS cabinet-level Audit Committee is dedicated to assessing areas of risk, setting priorities for internal audits, reviews or consultations, and monitoring corrective actions resulting from audits. The committee is chaired by the Deputy Secretary.
- **Independent Reviews:** DSHS periodically uses external consulting firms to conduct independent reviews for specific programs. The purpose is to identify strategies for improving performance results through analysis of issues regarding the program's systems, operation, business, or management.
- **Continuous Quality Improvements:** DSHS continues to initiate and implement quality improvement projects to enhance program performance and results. Since 1998 when the Governor's Quality Award Program was established, sixteen of DSHS improvement projects have received this award. A number of projects have also received national recognitions.
- **Client and Public Surveys:** We survey clients, the public, providers and employees to collect feedback on our services and practices. The feedback can help us identify areas we need to sustain good practices, such as timely telephone response, and the progress we have made through improvement initiatives, such as Service Integration.

Table: 2001 to 2003 DSHS Client Survey Satisfaction Rates – Weighted Data**Areas of Indicated Progress**

Client Survey Question	2001	2002	2003	Change 01-03	Change 02-03
DSHS makes sure services work well together	65%	69%	81%	16% *	12% *
Someone helps us with services from all program	60%	55%	67%	7%	12% *
The DSHS program offices are open at times that are good for us	81%	88%	92%	11% *	4% *
It's easy to get services from the DSHS program	63%	69%	72%	9% *	3%
We helped make plans and goals about services	71%	77%	80%	9% *	3%
I am satisfied with DSHS program services	73%	80%	82%	9% *	2%
DSHS program does good work	77%	87%	89%	12% *	2%
My DSHS program returned calls within 24 hours	64%	70%	71%	7%	1%
We got services as quickly as we needed	67%	77%	78%	11% *	1%

Areas Where High Standards Need to Be Maintained

Client Survey Question	2001	2002	2003	Change 01-03	Change 02-03
I know what DSHS program services there are for me and my family	76%	78%	73%	-3%	-5% *
We were involved in making choices about services	72%	78%	74%	2%	-4%
Staff treated us with courtesy and respect	84%	89%	86%	2%	-3%
Staff listened to what we have to say	81%	88%	86%	5% *	-2%
DSHS program staff explained things clearly	79%	83%	82%	3%	-1%
Overall, DSHS program services have helped me and my family	89%	94%	93%	4%	-1%

* Change is statistically significant at the .05 level.

Source: Nancy Raiha, Research and Data Analysis, DSHS Client Survey Reports of 2001, 2002 and 2003

FINANCIAL HEALTH ASSESSMENT

The federal revenue picture is uncertain at this time. The President's proposed budget has numerous reductions in grants to states that have the potential to reduce federal revenue to the department. The following information is provided to illustrate the potential loss of federal funding.

The 2005 proposal for Medicaid will reduce the federal share for administrative costs. This has the potential of affecting administrative match in most DSHS programs. The proposal also assumes that \$5.7 billion of Medicaid funds will not be needed in Federal Fiscal Year 2004. Therefore, the Federal Fiscal Year 2005 request is for less than what may be necessary to maintain states' programs.

The ability to finance the Medicaid program through Upper Payment Limits (UPL) would be limited. Recently, the federal government curbed these financing mechanisms and implemented a compliance transition period of five years for the State of Washington. The budget proposal eliminates the transition period and adds more restrictions for such financing schemes.

The budget proposes a comprehensive framework to establish spending controls. This framework is based on the premise that any increase in spending should be offset by a reduction in other spending. This could impact social services. An example would be an increase in military spending that is offset by a reduction in Medicaid spending.

While Washington State appears to be coming out of a long recession, the slow recovery and continued budget constraints are affecting many residents. The state's stagnant economy and high unemployment will continue to strain many of DSHS programs, including TANF, Basic Food, General Assistance, child support collections, and medical assistance.

COST REDUCTION STRATEGIES

The department has implemented a number of cost reduction and efficiency strategies and will continue to explore innovative ways to achieve efficiencies. Described below are examples of these strategies.

- Use of **imaging technology** in local Community Service Offices and Child Support offices across the state supports efficient document processing and improves customer service.
- The **Washington Combined Application Program** interfaces with Social Security Administration and allows immediate authorization and issuance of food assistance to low-income elderly or disabled people who are approved for federal disability benefits.
- The **long term care consolidation** of the Division of Developmental Disabilities and the Aging and Adult Services in late 2002 is expected to result in better service delivery to clients, better client management and more effective use of resources.
- The **Regional Business Services** project carries out a vision of standardized and consolidated regional business service delivery systems to provide field staff with high quality, efficient and sustainable business support.
- The **Medicaid Architecture** project reviews the structure of Medicaid-funded programs across six DSHS administrations. It seeks ways to coordinate and consolidate funding sources and operations to make DSHS Medicaid programs more cohesive and coherent and ultimately improving services to our clients.
- Other **efficient transaction strategies** include using an Internet Payment System and VISA-like Stored Value Card to process child support payments electronically, enhancing contractor monitoring to reduce overpayments, increasing outcome-based contracting, and implementing evidence-based health care purchasing.

AGENCY SELF ASSESSMENT

Since 1998, the Governor's Office has asked state agencies to do a self-assessment based on the Baldrige quality award criteria annually. It is designed to help each agency to look at their management practices and determine ways to make improvements in seven categories. These categories are Leadership, Strategic Planning, Customer Focus, Information and Analysis, Employee Focus, Process Management and Performance Results.

Between 1998 and 2002, DSHS has made incremental improvements in many of the assessment categories. In 2003, DSHS had the option to continue to work on the improvement areas identified in 2002 - employee satisfaction and recognition, human resources development, and data quality – and did not conduct an assessment.

Currently DSHS is conducting the 2004 Agency Self Assessment and will identify areas where progress has been made and areas that need to be improved upon in the next two years.

